

REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HEALDSBURG

RESOLUTION NO. RSA3-2017

RESOLUTION OF THE BOARD OF THE REDEVELOPMENT
SUCCESSOR AGENCY OF THE CITY OF HEALDSBURG
AUTHORIZING THE ISSUANCE OF REFUNDING BONDS
AND APPROVING THE FORMS OF DOCUMENTS IN
CONNECTION THEREWITH

WHEREAS, the California Legislature adopted, the Governor signed, and the California Supreme Court, in *California Redevelopment Association, et al. v. Matosantos*, (2012) 53 Cal.4th 231, upheld Assembly Bill x1 26 (“ABx1 26”); and

WHEREAS, ABx1 26 dissolved redevelopment agencies, including the former Redevelopment Agency of the City of Healdsburg (the “Redevelopment Agency”), effective February 1, 2012; and

WHEREAS, as added by ABx1 26, California Health and Safety Code Sections 34171(j) and 34173 originally provided that a city or county that formed a redevelopment agency would serve as the successor agency to the dissolved redevelopment agency unless such city or county affirmatively elected not to fill that role; and

WHEREAS, all subsequent “Section” references are to the California Health and Safety Code; and

WHEREAS, as added by ABx1 26, Section 34173(b) provides that the authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies are vested in the successor agencies; and

WHEREAS, on July 16, 2012, the City of Healdsburg adopted a resolution acknowledging that the “Redevelopment Successor Agency of the City of Healdsburg” is the successor agency to the former Redevelopment Agency (the “Successor Agency”); and

WHEREAS, pursuant to Section 34179, an oversight board (the “Oversight Board”) has been established for the Successor Agency; and

WHEREAS, prior to its dissolution, the Redevelopment Agency issued its Sotoyome Community Development Project 2010 Tax Allocation Bonds in the principal amount of \$21,065,000 (the “Prior Bonds”), for the purpose of financing redevelopment activities; and

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”) for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the “Savings Parameters”); and

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its Successor Agency to the Redevelopment Agency of the City of Healdsburg Sotoyome Community Development Project 2017 Tax Allocation Refunding Bonds (the "Refunding Bonds"), the Successor Agency has prepared an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to refund the Prior Bonds (the "Debt Service Savings Analysis"), a copy of which analysis has been provided to the Successor Agency and is on file with the Secretary of the Successor Agency; and

WHEREAS, the Successor Agency desires at this time to approve the issuance of the Refunding Bonds and to approve the form of and authorize the execution and delivery of an Indenture, by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, providing for the issuance of the Refunding Bonds (the "Indenture") and related documents and actions; and

WHEREAS, the Oversight Board adopted Resolution No. OB2-2017 on July 19, 2017, directing the Successor Agency to undertake the refunding of the Prior Bonds and to engage necessary financial professional to accomplish the refunding, and it is anticipated that on September 6, 2017, the Oversight Board will adopt a resolution authorizing the issuance of the Refunding Bonds (the "Oversight Board Resolution"); and

WHEREAS, following approval by the Oversight Board of the issuance by the Successor Agency of the Refunding Bonds and upon submission of this Resolution and the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its disclosure counsel, Jones Hall, A Professional Law Corporation (the "Disclosure Counsel"), its municipal advisor and other professionals, cause to be prepared a form of Official Statement for the Refunding Bonds describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by Brandis Tallman LLC, as underwriter of the Refunding Bonds (the "Underwriter"), to persons and institutions interested in purchasing the Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Redevelopment Successor Agency of the City of Healdsburg that:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Approval of Issuance of the Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under the Dissolution Law and the Refunding Law in the aggregate principal amount of not to exceed \$20,500,000, provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery.

Section 3. Filing of Debt Service Savings Analysis and Resolution. The Successor Agency has heretofore provided the Debt Service Savings Analysis to the Oversight Board, and is hereby directed to provide a final copy of this Resolution to the Oversight Board. The Successor Agency is hereby further authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, as provided in Section 34180(j), with the Sonoma County Administrative Officer, the Sonoma County Auditor-Controller and the California Department of Finance.

Section 4. Approval of Indenture. The Successor Agency hereby approves the Indenture in substantially the form on file with the Secretary of the Successor Agency, describing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Chairperson, Executive Director, Treasurer, Controller and Secretary, or their authorized designees (each, an "Authorized Officer"), and each of them individually, is hereby authorized and directed to execute and deliver, for and on behalf of the Successor Agency, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

Section 5. Approval of Escrow Agreement. The form of the Escrow Agreement with The Bank of New York Mellon Trust Company, N.A., as escrow agent for the Prior Bonds, in substantially the form on file with the Secretary of the Successor Agency, is hereby approved and the Authorized Officers are, each acting alone, hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Escrow Agreement with such changes therein, deletions therefrom and additions thereto as an Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Escrow Agreement.

Section 6. Sale of Refunding Bonds; Approval of Purchase Contract. The Successor Agency authorizes and directs the Authorized Officers, upon consultation with Del Rio Advisors, LLC, as Municipal Advisor, to sell the Refunding Bonds to the Underwriter. The form of the Purchase Contract with the Underwriter in substantially the form on file with the Secretary of the Successor Agency, is hereby approved and the Authorized Officers are, each acting alone, hereby authorized and directed, for and in the name and on behalf of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Purchase Contract, and to execute and deliver the Underwriter; provided, that the Underwriter's discount shall not exceed 0.650%. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Purchase Contract.

Section 7. Issuance of Refunding Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the Prior Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds without the further approval of the Successor Agency or the Oversight Board, provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

Section 8. Execution of the Bonds. Any of the Authorized Officers are hereby authorized and directed to execute each of the Refunding Bonds on behalf of the Successor Agency. Such execution as herein provided shall be a sufficient and binding execution of the Refunding Bonds by the Successor Agency.

Section 9. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy for the Refunding Bonds and reserve account surety bond(s) for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor and the Underwriter, that such municipal bond insurance policy and/or surety bond(s) will reduce the true interest costs with respect to the Refunding Bonds.

Section 10. Authorization to Prepare Official Statement. Following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its Disclosure Counsel, Municipal Advisor and other professionals cause to be prepared a form of Official Statement for the Refunding Bonds describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the Underwriter to persons and institutions interested in purchasing the Refunding Bonds.

Section 11. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approval by the California Department of Finance, and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be

taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 12. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Redevelopment Successor Agency of the City of Healdsburg this 5th day of September, 2017, by the following vote:

AYES: Board Members: (5) Gold, Hagele, Mansell, Naujokas and Chairperson McCaffery

NOES: Board Members: (0) None

ABSENT: Board Members: (0) None

ABSTAINING: Board Members: (0) None

SO ORDERED:

ATTEST:


Shaun F. McCaffery, Chairperson


Maria Curiel, Agency Secretary

I, MARIA CURIEL, Secretary to the Successor Agency to the Redevelopment Agency of the City of Healdsburg, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. RSA3-2017 duly adopted by the Successor Agency at a regular meeting held on the 5th day of September, 2017.


Maria Curiel, Agency Secretary